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MOZAMBIQUE

Dissident whites in Mozambique are persisting in their efforts to overturn the independence agreement signed last Saturday between Lisbon and the black insurgent Front for the Liberation of Mozambique. Unless the authorities move decisively to quash the incipient rebellion, the psychological advantage could shift in favor of the dissidents, thus raising the possibility of armed conflict between whites and forces of the front.

Leaders of the dissident whites reportedly met yesterday with the territory's military commander and with two special envoys sent from Lisbon by President Spinola to listen to their grievances. Lisbon has ordered reinforcements into Lourenco Marques, but the army so far has taken no steps against the rebels in the capital city. However, troops broke up demonstrations in the major port city of Beira yesterday after hand grenades were thrown into a rally being held by white dissidents.

The dissidents have backed away from their earlier call for a referendum in the territory, but they are sticking to their demand for a provisional government that will include all local political groups. Except for the front, most such groups are small and poorly organized. The Lisbon government in an official communiqué issued yesterday, upheld its agreement with the front, which calls for a transitional government dominated by the front.

The front is taking a cautious approach toward the dissidents. Front President Samora Machel has publicly appealed for unity, but has given no indication that he might be willing to compromise with the dissidents.

At present the front seems content to let the Portuguese handle the problem, apparently hoping that Lisbon can convince the whites that a front government will not threaten their survival in the territory. Ever since

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the front first began negotiations with Lisbon, it has sought to reassure the white and mulatto population. With only about 3,000 armed troops, the front would for some time be hard-pressed to maintain order in Mozambique without Portuguese assistance.

Lisbon may be seriously underestimating the determination and potential strength of the dissident movement. At present it is probably made up of only a small minority of Mozambique's 250,000 whites and mulattoes, with perhaps a scattering of blacks. Support for the group could grow significantly, however, if Lisbon gives the impression of weakness or if Portugal's 60,000-man force in the territory falls apart, as could happen.

Locally recruited troops, who make up close to half of the force, might decide to join the dissidents if they show a degree of staying power. Troops from Portugal apparently are in no mood to become embroiled in extended peace-keeping efforts in the territory now that they are about to go home.

The dissident whites are not likely to obtain support from the South African or Rhodesian governments. Pretoria is convinced that it can live with a front government in Mozambique and is not willing to back up a movement that it believes has little chance of success. Salisbury has resigned itself to a front take-over in Mozambique, knowing that Rhodesia is not capable of intervening on its own.



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UK

Prime Minister Wilson's success last week in securing labor's support for his government's economic policies has prepared the way for early elections. Wilson completed the constitutional requirements over the weekend by consulting the Queen and a date--probably early October--is expected to be announced this week.

The Trades Union Congress at its convention last week debated a resolution in support of voluntary restraint in wage demands urged by Wilson. Primary opposition came from the engineering workers, Britain's second largest union, who insisted that they could not support a limit on wage bargaining. Following an eleventh hour appeal by Trades Union Congress General Secretary Len Murray, the engineering workers agreed to abstain from voting in the interest of solidarity, but noted that they had not retracted any of their views.

The unions once again endorsed the Labor Party's stand on the EC by reiterating their opposition to British membership in the community and calling for a continued boycott of certain EC institutions. Although the unions rejected a call for immediate withdrawal from the EC, they supported Labor's policy of renegotiating the terms of membership and holding a referendum on the question.

Wilson's success at the trade union convention coincided with the results of a public opinion poll, announced on September 6, which gave Labor a margin of almost 7 percent over the Conservatives. Labor led with almost 43 percent of the vote, the Conservatives followed with 36, and the Liberals with 17 percent.

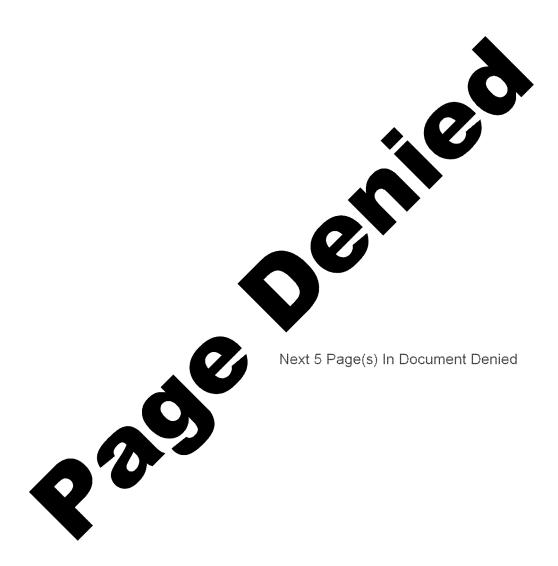
Wilson's victories came at a time when Tory leader Heath was suffering a number of setbacks. The Ulster Unionist Party decided to support Tory rebel Enoch Powell as its candidate from the South Down region, lessening

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chances that the Unionists would support a Conservative-Liberal coalition, which Heath might form after the elections. Powell's expected return to Parliament would provide him with a base of power to rally opposition to Heath within the party.

Another blow came in a major speech on September 5 by Heath's shadow home secretary, Sir Keith Joseph, who rejected the Conservative statutory incomes and full employment policy and urged instead an exclusively monetary approach to inflation. The speech highlights Conservative disunity at a time when Labor appears united and confident. It will also provide Labor with more ammunition on the sensitive issue of unemployment.

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